# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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#### FISCAL IMPACT STATEMENT

**LS 7289 NOTE PREPARED:** Dec 30, 2004

BILL NUMBER: HB 1144 BILL AMENDED:

**SUBJECT:** Voting Systems.

FIRST AUTHOR: Rep. Avery BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill requires that a voting system permit a voter to examine the paper record of the voter's votes to verify the voter's votes. The bill provides that after a voter has verified the votes on the paper record, the paper record is the official record of the votes.

Effective Date: July 1, 2005.

#### **Explanation of State Expenditures:**

## **Explanation of State Revenues:**

**Explanation of Local Expenditures:** Summary: Under the bill, counties may experience an increase in expenditure of an indeterminable amount depending on the type of voting system they currently employ. Newer direct recording electronic (DRE) voting systems and all optical scan voting systems have the ability to produce a paper record of a voter's ballot. For newer DRE systems, it may be a matter of installing the necessary software and hardware to their existing machines to generate paper records.

However, older DRE machines, particularly the Microvote MV464 DRE would not be able to produce a complete paper record of the voter's ballot without extensive modification.

*Background:* Twenty-six counties currently employ older DRE systems. According to information provided by one vendor, counties that employ the Microvote MV464 DRE voting system would not be able to produce an individual ballot for the voter, and would have to be replaced in order to comply with the bill. Counties with

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other types of DRE systems may be required to purchase newer DRE systems, if their existing systems cannot comply with the bill. The Microvote MV464 is no longer produced. However, the company's Infinity DRE is able to receive a printer hookup and would be able to print a voter's ballot. The average price per precinct to purchase the Infinity would be about \$8,000, including printer capability and a voice-converter unit. As of early 2003, about 1,900 precincts were equipped with MV464 machines. Based on the average precinct cost above, replacement cost for all MV464s with the Microvote Infinity voting systems would be about \$15.2 M. Some of the replacement cost could be alleviated by the amount of federal match dollars received by the county under the Help America Vote Act.

### **Explanation of Local Revenues:**

**State Agencies Affected:** 

**Local Agencies Affected:** Counties.

**Information Sources:** Indiana Election Division; Steve Shamo, Microvote Systems.

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